IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE C.N.RAMACHANDRAN NAIR

FRIDAY, THE 6TH JULY 2007 / 15TH ASHADHA 1929

WP(C).No. 20642 of 2007(G)

PETITIONER:

THE CATHOLIC SYRIAN BANK,
KOLLAM BRANCH REPRESENTED BY ITS
ASSISTANT MANAGER.

BY ADV. SRI.R.BINDU (SASTHAMANGALAM)

RESPONDENTS:

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1. SRI. N.BHAGEERATHAN,
M/S SONY CASHEW COMPANY, KOLLAM EAST VILLAGE,
KOLLAM.

2. THE THAHSILDAR,(R.R),
KOLLAM.

3. STATE OF KERALA, REPRESENTED BY
SECRETARY, DEPARTMENT OF TAXES,
GOVERNMENT SECRETARIAT, THIRUVANANTHAPURAM.

BY GOVT.PLEADER C.K.GOVINDAN

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION ON 06/07/2007, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

C.N.RAMACHANDRAN NAIR,J

W.P.(C) NO.20642 of 2007

Dated this the 6th day of July, 2007

JUDGMENT

Petitioner's grievance is that property mortgaged in its favour is being sold by the second respondent in RR proceedings for recovery of arrears of sales tax which is around Rs.6 lakhs. Substantial amounts are due to the Bank.

In the circumstances, the writ petition is disposed of directing the second respondent to release the attachment if the petitioner Bank remits the entire arrears of the sales tax and interest but excluding collection charges before sale of property. It is for the Bank to sell the property in accordance with law and recover the arrears due to it including tax paid on behalf of debtor. If the Bank does not want to settle the sales tax liability and take over the property for sale by it, it can co-ordinate with the second respondent by giving publicity for sale or arrange purchasers so that the property is sold at the highest price. There

will be a direction to the second respondent to pay to the petitioner-Bank, the balance remaining after adjusting arrears of tax and collection charges.

If the property get solds on 9th July 2007, when it is notified for sale, the Bank can still make payment on behalf of the debtor and take over the property within the time provided under the RR Act.

Issue copy today itself.

C.N.RAMACHANDRAN NAIR,
JUDGE

CSS